



# FY 2022 FAIR MARKET RENT DOCUMENTATION SYSTEM

## The FY 2022 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA Small Area FMRs

The following are the steps used to calculate the 2-bedroom rent of \$1,140 for ZIP Code 19029.

1. Evaluate the current 5-year ACS Adjusted Standard Quality (ASQ) 40<sup>th</sup> percentile 2-bedroom gross rent. If the estimate has a margin of error ratio of less than 50% and at least one hundred survey cases, use this as the ZCTA base rent for the SAFMR for the current year.
2. If the 2-Bedroom rent is not reliable, evaluate the 1-Bedroom gross rent. If this estimate is reliable, convert it to a 2-bedroom rent using the appropriate bedroom ratio of the parent HUD metropolitan area.
3. If the 2 and 1-Bedroom rents are not reliable, evaluate the 3-Bedroom gross rent. If this estimate is reliable, convert it to a 2-bedroom rent using the appropriate bedroom ratio of the parent HUD metropolitan area.
4. Repeat the above three steps for the previous two ACS years. If a ZIP code has reliable 2-Bedroom equivalent rents in at least two or the three ACS years, update the non-current year ACS estimates for inflation, and take the average of the reliable estimates as the base rent for FY2022.
5. Calculate a FY2022 Small Area Fair Market Rent by multiplying this base rent by the recent mover factor, the CPI gross rent update factor, and the forecasted trend factor.
6. If the ZIP code does not have a reliable base rent, evaluate the quality if its 5-year ACS Adjusted Standard Quality (ASQ) median all bedroom gross rent for the previous three ACS years. If at least two of these three estimates are reliable, calculate ratios of the ZIP code median gross rent estimate to that of the ZIP code's parent HUD metropolitan area. Take the average of these ratios. If the ZIP code does not have reliable ZIP code median gross rents, examine the reliability of the ZIP code's parent county. If at least two of these three estimates are reliable, calculate ratios of the county median gross rent estimate to that of the county's parent HUD metropolitan area. If county level estimates are not reliable, set the ratio to 1.
7. If necessary apply the ZIP code rent ratio to the FY2022 2-Bedroom Fair Market Rent for the ZIP code's parent HUD metropolitan area.
8. Ensure that the 2-Bedroom SAFMR does not exceed 150% of the parent HUD metropolitan FMR.
9. Ensure the 2-Bedroom SAFMR is not lower than the ZIP code's parent state minimum FMR.
10. Calculate SAFMRs for other bedroom sizes using the bedroom ratios for the ZIP code's parent metropolitan area.
11. Ensure that the SAFMRs do not fall below the appropriate 90% floor.

### The FY 2022 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA Small Area FMRs for All Bedroom Sizes in ZIP Code 19029

FY2022 SAFMRs By Unit Bedrooms					
Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	
	\$830	\$940	\$1,140	\$1,410	\$1,610

The remainder of this page provides complete documentation of the development of the Final FY 2022 2-Bedroom Small Area Fair Market Rent (FMR) for 19029 within the Philadelphia-Camden-Wilmington, PA-NJ-

**EXHIBIT P - 10 (extract for zip 19029)**

DE-MD MSA.

- Evaluate the bedroom size estimates of 40<sup>th</sup> percentile gross rent for 19029.

ACS Release	Bedroom Size	Adjusted Standard Quality Estimate of 40 <sup>th</sup> Percentile Gross Rent for 19029	Adjusted Standard Quality Margin of Error of 40 <sup>th</sup> Percentile Gross Rent for 19029	Adjusted Standard Quality count indicator of 40 <sup>th</sup> Percentile Gross Rent for 19029	Margin of Error Ratio	Reliable?	Two Bedroom Adjustment, if applicable	Inflation Adjustment, if applicable
2019	2-Bedroom	\$991	\$85	1	\$85 / \$991 = 0.09	No	N/A	N/A
	1-Bedroom	\$732	\$29	1	\$29 / \$732 = 0.04	No	\$887	N/A
	3-Bedroom	\$1,270	\$337	1	\$337 / \$1,270 = 0.27	No	\$1,117	N/A
2018	2-Bedroom	\$1,004	\$100	1	\$100 / \$1,004 = 0.10	No	N/A	N/A
	1-Bedroom	\$729	\$34	1	\$34 / \$729 = 0.05	No	\$884	N/A
	3-Bedroom	\$1,264	\$307	1	\$307 / \$1,264 = 0.24	No	\$1,111	N/A
2017	2-Bedroom	\$916	\$54	1	\$54 / \$916 = 0.06	No	N/A	N/A
	1-Bedroom	\$677	\$38	1	\$38 / \$677 = 0.06	No	\$821	N/A
	3-Bedroom	\$1,277	\$179	1	\$179 / \$1,277 = 0.14	No	\$1,123	N/A

- Since 19029 does not have a useable bedroom base rent, its SAFMR will be based on a rent ratio.
- ZCTA level estimates of median gross rent will be used as the numerator for the small area rent ratio provided at least 2 of the most recent 3 estimates from 5-Year ACS samples are statistically reliable.

**EXHIBIT P - 10 (extract for zip 19029)**

Reliability is determined by calculating a margin of error ratio for each estimate. If the margin of error is less than 50% of the estimate, then it is considered reliable.

<b>ACS Release</b>	<b>Adjusted Standard Quality Estimate of Median Gross Rent for 19029</b>	<b>Adjusted Standard Quality Margin of Error of Median Gross Rent for 19029</b>	<b>Margin of Error Ratio</b>	<b>Reliable?</b>	<b>Adjusted Standard Quality Estimate of Median Gross Rent for Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA</b>	<b>ZIP Code / Metro Ratio</b>
2019	\$1,074	\$85	\$85 / \$1,074 = 0.08	Yes	\$1,174	\$1,074 / \$1,174 0.915
2018	\$1,027	\$104	\$104 / \$1,027 = 0.10	Yes	\$1,143	\$1,027 / \$1,143 0.899
2017	\$919	\$82	\$82 / \$919 = 0.09	Yes	\$1,104	\$919 / \$1,104 0.832

4. Because 3 out of 3 ZCTA level estimates are reliable, their average will be used as the numerator for the small area rent ratio.

<b>2017 Ratio</b>	<b>2018 Ratio</b>	<b>2019 Ratio</b>	<b>Average of Reliable Ratios (Small Area Rent Ratio)</b>
0.832	0.899	0.915	0.882

5. Apply the Small Area Rent Ratio for 19029 to the FY 2022 Metropolitan Fair Market Rent for Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA, Rounding to the Nearest \$10

<b>ZIP Code 19029 Small Area Rent Ratio</b>	<b>Metropolitan Fair Market Rent for Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA</b>	<b>Preliminary 2 Bedroom Small Area FMR for 19029</b>
0.882	\$1,298	\$1,140

6. Ensure that the 2 Bedroom Small Area FMR Does Not Fall Below the State Minimum FMR.

<b>Preliminary 2 Bedroom Small Area FMR for 19029</b>	<b>State Minimum</b>	<b>2 Bedroom Small Area FMR for 19029</b>
\$1,140	\$757	Do Not Use State Minimum

7. The FY2022 SAFMR must not be below 90% of the FY2021 FMR.

	<b>Efficiency</b>	<b>One-Bedroom</b>	<b>Two-Bedroom</b>	<b>Three-Bedroom</b>	<b>Four-Bedroom</b>
FY2021 FMR	\$760	\$870	\$1,060	\$1,320	\$1,510

**EXHIBIT P - 10 (extract for zip 19029)**

FY2021 Floor	\$690	\$790	\$960	\$1,190	\$1,360
Preliminary FY 2022 SAFMR	\$830	\$940	\$1,140	\$1,410	\$1,610
Use FY2021 floor for FY2022?	No	No	No	No	No
FY 2022 SAFMR	\$830	\$940	\$1,140	\$1,410	\$1,610

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# FY 2022 FAIR MARKET RENT DOCUMENTATION SYSTEM

## The FY 2022 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA Small Area FMRs

The following are the steps used to calculate the 2-bedroom rent of \$1,090 for ZIP Code 19074.

1. Evaluate the current 5-year ACS Adjusted Standard Quality (ASQ) 40<sup>th</sup> percentile 2-bedroom gross rent. If the estimate has a margin of error ratio of less than 50% and at least one hundred survey cases, use this as the ZCTA base rent for the SAFMR for the current year.
2. If the 2-Bedroom rent is not reliable, evaluate the 1-Bedroom gross rent. If this estimate is reliable, convert it to a 2-bedroom rent using the appropriate bedroom ratio of the parent HUD metropolitan area.
3. If the 2 and 1-Bedroom rents are not reliable, evaluate the 3-Bedroom gross rent. If this estimate is reliable, convert it to a 2-bedroom rent using the appropriate bedroom ratio of the parent HUD metropolitan area.
4. Repeat the above three steps for the previous two ACS years. If a ZIP code has reliable 2-Bedroom equivalent rents in at least two or the three ACS years, update the non-current year ACS estimates for inflation, and take the average of the reliable estimates as the base rent for FY2022.
5. Calculate a FY2022 Small Area Fair Market Rent by multiplying this base rent by the recent mover factor, the CPI gross rent update factor, and the forecasted trend factor.
6. If the ZIP code does not have a reliable base rent, evaluate the quality if its 5-year ACS Adjusted Standard Quality (ASQ) median all bedroom gross rent for the previous three ACS years. If at least two of these three estimates are reliable, calculate ratios of the ZIP code median gross rent estimate to that of the ZIP code's parent HUD metropolitan area. Take the average of these ratios. If the ZIP code does not have reliable ZIP code median gross rents, examine the reliability of the ZIP code's parent county. If at least two of these three estimates are reliable, calculate ratios of the county median gross rent estimate to that of the county's parent HUD metropolitan area. If county level estimates are not reliable, set the ratio to 1.
7. If necessary apply the ZIP code rent ratio to the FY2022 2-Bedroom Fair Market Rent for the ZIP code's parent HUD metropolitan area.
8. Ensure that the 2-Bedroom SAFMR does not exceed 150% of the parent HUD metropolitan FMR.
9. Ensure the 2-Bedroom SAFMR is not lower than the ZIP code's parent state minimum FMR.
10. Calculate SAFMRs for other bedroom sizes using the bedroom ratios for the ZIP code's parent metropolitan area.
11. Ensure that the SAFMRs do not fall below the appropriate 90% floor.

### **The FY 2022 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA Small Area FMRs for All Bedroom Sizes in ZIP Code 19074**

<b>FY2022 SAFMRs By Unit Bedrooms</b>					
<b>Efficiency</b>	<b>One-Bedroom</b>	<b>Two-Bedroom</b>	<b>Three-Bedroom</b>	<b>Four-Bedroom</b>	
\$790	\$900	\$1,090	\$1,350	\$1,540	

The remainder of this page provides complete documentation of the development of the Final FY 2022 2-Bedroom Small Area Fair Market Rent (FMR) for 19074 within the Philadelphia-Camden-Wilmington, PA-NJ-

**EXHIBIT P - 10 (extract for zip 19074)**

DE-MD MSA.

- Evaluate the bedroom size estimates of 40<sup>th</sup> percentile gross rent for 19074.

ACS Release	Bedroom Size	Adjusted Standard Quality Estimate of 40 <sup>th</sup> Percentile Gross Rent for 19074	Adjusted Standard Quality Margin of Error of 40 <sup>th</sup> Percentile Gross Rent for 19074	Adjusted Standard Quality count indicator of 40 <sup>th</sup> Percentile Gross Rent for 19074	Margin of Error Ratio	Reliable?	Two Bedroom Adjustment, if applicable	Inflation Adjustment, if applicable
2019	2-Bedroom	\$978	\$108	1	\$108 / \$978 = 0.11	No	N/A	N/A
	1-Bedroom	\$831	\$100	1	\$100 / \$831 = 0.12	No	\$1,007	N/A
	3-Bedroom	\$1,429	\$280	1	\$280 / \$1,429 = 0.20	No	\$1,257	N/A
2018	2-Bedroom	\$950	\$55	1	\$55 / \$950 = 0.06	No	N/A	N/A
	1-Bedroom	\$813	\$111	1	\$111 / \$813 = 0.14	No	\$986	N/A
	3-Bedroom	\$1,323	\$183	1	\$183 / \$1,323 = 0.14	No	\$1,163	N/A
2017	2-Bedroom	\$933	\$28	1	\$28 / \$933 = 0.03	No	N/A	N/A
	1-Bedroom	\$809	\$61	1	\$61 / \$809 = 0.08	No	\$981	N/A
	3-Bedroom	N/A	N/A	1	N/A	N/A	N/A	N/A

- Since 19074 does not have a useable bedroom base rent, its SAFMR will be based on a rent ratio.
- ZCTA level estimates of median gross rent will be used as the numerator for the small area rent ratio provided at least 2 of the most recent 3 estimates from 5-Year ACS samples are statistically reliable. Reliability is determined by calculating a margin of error ratio for each estimate. If the margin of error is less than 50% of the estimate, then it is considered reliable.

**EXHIBIT P - 10 (extract for zip 19074)**

ACS Release	Adjusted Standard Quality Estimate of Median Gross Rent for 19074	Adjusted Standard Quality Margin of Error of Median Gross Rent for 19074	Margin of Error of Error Ratio	Reliable?	Adjusted Standard Quality Estimate of Median Gross Rent for Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA	ZIP Code / Metro Ratio
2019	\$990	\$96	\$96 / \$990 = 0.10	Yes	\$1,174	\$990 / \$1,174 0.843
2018	\$961	\$41	\$41 / \$961 = 0.04	Yes	\$1,143	\$961 / \$1,143 0.841
2017	\$927	\$48	\$48 / \$927 = 0.05	Yes	\$1,104	\$927 / \$1,104 0.840

4. Because 3 out of 3 ZCTA level estimates are reliable, their average will be used as the numerator for the small area rent ratio.

2017 Ratio	2018 Ratio	2019 Ratio	Average of Reliable Ratios (Small Area Rent Ratio)
0.840	0.841	0.843	0.841

5. Apply the Small Area Rent Ratio for 19074 to the FY 2022 Metropolitan Fair Market Rent for Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA, Rounding to the Nearest \$10

ZIP Code 19074 Small Area Rent Ratio	Metropolitan Fair Market Rent for Philadelphia-Camden-Wilmington, PA-NJ-DE- MD MSA	Preliminary 2 Bedroom Small Area FMR for 19074
0.841	\$1,298	\$1,090

6. Ensure that the 2 Bedroom Small Area FMR Does Not Fall Below the State Minimum FMR.

Preliminary 2 Bedroom Small Area FMR for 19074	State Minimum	2 Bedroom Small Area FMR for 19074
\$1,090	\$757	Do Not Use State Minimum

7. The FY2022 SAFMR must not be below 90% of the FY2021 FMR.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2021 FMR	\$760	\$870	\$1,060	\$1,320	\$1,510
FY2021 Floor	\$690	\$790	\$960	\$1,190	\$1,360
Preliminary FY 2022 SAFMR	\$790	\$900	\$1,090	\$1,350	\$1,540
Use FY2021 floor for FY2022?	No	No	No	No	No

**EXHIBIT P - 10 (extract for zip 19074)**

FY 2022 SAFMR

\$790

\$900

\$1,090

\$1,350

\$1,540

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